

**Iowa Itemized Deductions Worksheet**

To be used only if your Federal AGI plus any bonus depreciation adjustment on line 14 of the IA 1040 is more than \$139,500 (\$69,750 when claiming married filing separately for Federal purposes).

This worksheet will compute the amount of itemized deductions to enter on line 25 of the IA Schedule A.

STEP 1

Complete the IA 1040 Schedule A, lines 1-24.

STEP 2

Re-compute the Federal Itemized Deduction Worksheet:

1. Enter the sum of lines 3, 8, 12, 16, 17, 23, and 24 from the IA Schedule A 1. _____
2. Enter any Iowa tax from line 5 of the Federal Schedule A 2. _____
3. Add amounts from lines 1 and 2 3. _____
4. Add the amounts on Iowa Schedule A, lines 3, 11, 17, plus gambling losses and casualty or theft losses included on line 24 and enter here. 4. _____
5. Is the amount on line 4 less than the amount on line 3?
☐ No. STOP! Your deduction is not limited. Enter the amount from line 1 above on the IA 1040, line 39
☐ Yes. Subtract line 4 from line 3 5. _____
6. Multiply line 5 by 80% (.80) 6. _____
7. Enter the amount from the Federal 1040, line 35 plus any bonus depreciation adjustment from line 14 of the IA 1040. 7. _____
8. Enter: \$139,500 if single, married filing jointly, head of household or qualifying widow(er); \$69,750 if married filing separately (based on how your Federal return was filed) 8. _____
9. Is the amount on line 8 less than line 7?
☐ No. STOP! Your deduction is not limited. Enter the amount from line 1 above on IA 1040, line 39
☐ Yes. Subtract line 8 from line 7 9. _____
10. Multiply line 9 by 3% (.03) 10. _____
11. Enter the smaller of line 6 or line 10 11. _____
12. Total adjusted Federal itemized deductions: Subtract line 11 from line 3 and enter on Step 3, line 1 of the IA 41-104 12. _____

STEP 3

Complete the IA 41-104 below:

1. Enter the revised allowable Federal itemized deductions as shown on Step 2 line 12 at left 1. _____
2. Enter the amount from Step 2 line 4 at left. 2. _____
3. Subtract line 2 from line 1. 3. _____
4. Enter the amount from Step 2 line 3 at left 4. _____
5. Subtract line 2 from line 4. 5. _____
6. Divide line 3 by line 5 and enter the percentage here. 6. _____ %
7. Enter the amount from Step 2 line 2 at left. 7. _____
8. Multiply line 7 by the percent on line 6. .. 8. _____
9. Subtract line 8 from line 1. Enter this amount on line 25 of the IA Schedule A. 9. _____

Keep this worksheet with your tax records.
DO NOT send it with your tax return.